

COUNTY OF LOS ANGELES

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DEPARTMENT OF MENTAL HEALTH

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Reply To: (213) 738-4601
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March 13, 2009

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **TERMINATION OF THE DEPARTMENT OF MENTAL HEALTH
LEGAL ENTITY AGREEMENT WITH THE UNIVERSITY OF SOUTHERN
CALIFORNIA (USC) CARE MEDICAL GROUP, INC.**

This is to advise your Board of the termination of the County of Los Angeles Department of Mental Health (DMH) Legal Entity Agreement (No. MH120284) with USC Care Medical Group, Inc. (USC Care), effective March 19, 2009, pursuant to Paragraph 1, TERM, Subparagraph C, Termination, Subsection (1) "This Agreement may be terminated by either party at any time without cause by giving at least 120 calendar days prior written notice to the other party."

Board approval for this Agreement was given November 13, 2007, Agenda Item No. 50, to relieve the overcrowding in the Los Angeles County + USC (LAC+USC) Psychiatric Emergency Service (PES) and the increasing demand for inpatient psychiatric services. The Urgent Care Center (UCC) was designed to provide 24/7 recovery-oriented outpatient psychiatric services for individuals in crisis who do not require hospitalization if stabilized with intensive outpatient services. Since its implementation in January 2008, the UCC has operated in the LAC+USC Medical Center Interns and Residents Department (IRD) building, with hours of operation from 8:00 a.m. to 5:00 p.m. on weekdays, pending relocation to an area in the new LAC+USC facility. Full implementation of the UCC and expansion of its hours of operation to 24/7 was intended to occur following the move to the new LAC+USC facility on November 7, 2008. On November 19, 2008, USC Care notified DMH of its intent to terminate the Agreement and cease operations March 19, 2009.

In anticipation of the Agreement's termination, the Department of Health Services (DHS) implemented alternative plans to ensure 24/7 access to care for psychiatric clients through the provision of a PES walk-in medication clinic in the new medical facility. DMH and USC Care will work collaboratively to make appropriate plans to transfer or refer all clients receiving or requesting services at USC Care UCC to the LAC+USC PES walk-in medication or outpatient clinic, or to community mental health programs, based upon individual need. Additionally, because it continues to be advisable to have

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an urgent care program near the LAC+USC Medical Center, the Department plans to initiate a competitive negotiation process with qualified providers.

In addition, it has been determined that the transfer of LAC+USC outpatient mental health services from DHS to DMH approved by your Board on July 29, 2008, contingent upon execution of a Memorandum of Understanding between DMH and DHS, is inadvisable at this time for various reasons largely associated with the training program. Both Departments have agreed not to move forward at this time. For the same reasons, the Physician Services Agreement with USC Care, approved in the same Board action, has not been executed.

If you have any questions or concerns regarding this termination, please contact me or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:KW:RK:CK

c: Executive Officer, Board of Supervisors
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